Small Islands Big Issues

Feature

Small Islands and Tourism: Finding a Balance

The physical resources for tourism are generally viewed as fixed assets: fine beaches, moderate climate, tropical forests, coral reefs and colourful fish species. Small island States have been blessed with these features, which lure millions of tourists each year to their shores.

These resources, however, are neither immutable nor inexhaustible. Every hotel built on the waterfront generates not only income and employment but also pollution—and can deny local residents access to their most beautiful beaches. Every mangrove swamp developed into a marina or resort destroys the thousands of distinctive fish, bird and plant species that make up the local ecosystem. Tourist dollars contribute enormously to island economies, but efforts to attract them can divert resources from more traditional activities—such as fishing, farming and indigenous crafts—that have bound island cultures together for centuries.

In short, tourism development is a precarious balancing act. Subject to the vagaries of the weather, vulnerable to pollution from urban wastes and sensitive to overuse, resources for tourism—which for some small island States constitute their only product of interest to the international marketplace—must be tended with an eye toward long-term sustainability. In devising national strategies for promoting tourism, Governments are beginning to acknowledge the importance of the key concept behind the Earth Summit in Rio, as explained by Norwegian Prime Minister Gro Harlem Brundtland when she chaired the 1987 World Commission on Environment and Development: "Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs."

Crucial Incomes

Tourism plays a crucial role in the economies of most small island States. In the Caribbean, it is the topmost earner of foreign exchange, bringing in an estimated $10 billion in revenues in 1993. In the South Pacific, tourism counts for a quarter of total export earnings. Small island States such as Mauritius, Fiji, Seychelles and the Dominican Republic have placed tourism as a top priority on their development agendas. Tourist revenues have grown especially important in light of plunging international commodity prices and falling fish catches, traditional mainstays of island economies.

Though the 41 members of the Alliance of Small Island States form a diverse group—from the remote and sparsely populated Solomon Islands to densely populated Jamaica—all of these countries share an extreme vulnerability to the dramatic changes in climate that are expected to result from global warming. Small island States generate little of the greenhouse gases that are thought to contribute to climate change, but they stand to be seriously affected by the impact of those changes: rising sea levels are a threat to coastlines and drinking-water supplies, and increases in the velocity and frequency of storms

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would create widespread damage, disrupt agriculture and make life generally more uncertain. These changes strike at the heart of island economies, and greatly diminish the islands' desirability as tourist destinations.

Small island States also share a role as critical repositories of the planet's biodiversity. Thousands of species of fish, animal and plant life are unique to these marine-based environments. As breeding centres for migratory birds, spawning grounds for fish, and home to fruit and vegetable varieties unseen elsewhere, they contribute significantly to the overall ecological diversity and health of the planet.

These biological resources, now at risk, are the same assets that attract tourists: over a quarter of a billion dollars a year flows into Caribbean economies from the scuba diving industry alone, for example, which relies on the profusion of coral reefs and the richness of marine life. Their biological abundance is a key part of what makes the islands an alluring destination where visitors can experience relatively pristine natural beauty and "exotic" cultures.

Negative Effects

The negative side of mass tourism is beginning to surface, however, as many islands start to experience the environmental and economic effects of large-scale tourist development. Over the past five years, as island States have become more popular among travellers, pollution, congestion, stress on natural resources and disruption of local cultures have accelerated, making islands less appealing as destinations and ushering in a boom-bust cycle in major tourist locations. Several Caribbean hotels that were sited to attract tourists to coral reefs were forced to close after effluents from improper sewage treatment killed off the marine life of the reefs.

Poor waste treatment and disposal can contaminate drinking water for both locals and tourists; overcrowding can lessen the tranquillity and simplicity of life that attract many travellers; disruption of island cultures can lead to animosity between the local population and tourists. In a report on tourism and development, the World Bank concluded: "Without careful attention to the balance between the volume and type of tourist activity, and the sensitivities and carrying capacities of the resources being developed, tourism projects can be not only environmentally harmful but also economically self-defeating."

Foreign Benefits

The economic benefits of tourism to small islands have not always been as substantial as might appear in grand development plans. Though tourism demands heavy investment in infrastructure, usually funded by island taxpayers, often much of the income generated by foreign visitors does not contribute to the local economy; instead it flows to the foreign air carriers, hotel owners and suppliers of imported food and drink that are an essential part of the mass tourism industry.

Worldwide, just 45 per cent of the funds generated by tourism in developing countries remains in those countries, according to World Bank estimates. The Organization of American States estimates that, in Caribbean countries, 30 to 50 per cent of the revenues from tourism "leak" back to developed countries—a leakage partly caused by the compound-like resorts, insulated from local economies, that are typical of many Caribbean tourist locales. In South Pacific countries such as Fiji, where a tourist infrastructure was inherited from the colonial era, the leakage can be as high as 70 per cent. As large-scale developments have proliferated, per capita consumption of resources by tourists has risen to up to four times that of local residents—a discrepancy that can become politically untenable unless the bulk of economic benefits filters back through the local economy. Countries with low revenue retention may in effect be subsidizing tourists and tour operators at the expense of their environment, social cohesion and indigenous traditions.

Basic Principles

At the Global Conference on the Sustainable Development of Small Island Developing States, Governments will consider how they can promote new forms of tourism that are in greater harmony with the environment, that contribute substantially to

the local economy and that help to stimulate, and not disrupt, local cultures. Given the important economic role of tourism, the stakes are high.

The basic principles of sustainable tourism are drawn from the overall merging of environmental and economic goals:

- Plan tourism development in harmony with the environment's ability to regenerate and sustain economic activities in the long run;
- Utilize local resources and labour;
- Protect the diverse range of biological species and natural resources; and
- Recognize the contribution that local communities and customs make to the tourism experience.

Changes along these lines demand an integrated approach by officials responsible for economic planning, education, sanitation, culture, energy and recreation. Attention must also be paid to the demands of travellers themselves, ranging from those seeking little more than a spot of beach and sun, regardless of locale, to more adventurous sorts interested in exploring the unknown and experiencing local cultures.

Sustainable tourism for those who demand large-scale enclave-like settings would necessitate regulations to encourage the use of recycled materials, renewable sources of energy, and state-of-the-art waste treatment so as to minimize environmental destruction. In addition, such simple initiatives as a commitment from a hotel developer to buy local farmers' crops—rather than imports—could help small farmers obtain favourable loan rates from a local bank. In a move to encourage such overall planning, the operators of large hotels (500 beds or more) have established the International Hotels Environment Initiative to reduce the ecological impact of their establishments.

Reversing Course

In the long run, however, large-scale tourist developments may find themselves out of favour, as travellers' habits and government policies slowly adapt to a more environmentally conscious world. After years of promoting itself as a low-cost haven for budget-conscious travellers—and finding its beaches inundated with charter tourists—Malta, for example, has begun reversing course. New planning regulations limit tourist developments on the island in an effort to better integrate tourism with the local economy—a portent, perhaps, of things to come in many small island States. Another approach, taken by Western Samoa, is to control the scope of the tourist trade by limiting the number of hotels and requiring every incoming visitor to have a reservation for accommodation before entering the country—a means of restricting the potentially disruptive impact of foreign visitors on the local culture.

While these approaches are intended to manage the inflow of tourists, the greatest potential for long-term sustainable development of tourism is in riding the wave of "nature tourism". This is by far the fastest-growing sector of the tourist industry, expanding 5 to 10 per cent a year, as opposed to an average 3 per cent annual growth for the tourist industry as a whole. Island States are ideal destinations for this "ecotourism", which lends an economic incentive to preserving the environment.

Ecotourism Growing

In small island States worldwide, efforts are being made to take advantage of the growth in nature tourism, and to combat the downside of mass tourism development. Over the last five years, Jamaica has seen a blossoming of small-scale enterprises aimed at providing cottages or tents to travellers interested in experiencing the interior of the island as well as its renowned beaches. These sites, run by residents in relatively rustic settings, feature native foods and local music and artisans not generally found at the large hotels.

The transition from large- to small-scale tourist facilities, however, often runs counter to government policies intended to assist traditional hotel-based developments. Innovative, locally run facilities are generally excluded from the normal tariff reductions or tax advantages given to foreign hotel chains because they do not fit into government-defined development schemes in

designated tourist zones. In order to promote a sustainable tourism industry with long-term prospects, such inducements must be offered, by Governments and international aid programmes, to small-scale developers creating tourist sites more integrated into the local social and economic fabric.

Some islands, like Dominica, a relative newcomer to the tourist trade, are finding that tours through the rain forest are a primary tourist draw. Thus, the Government is motivated to preserve its rain forests and their rich biodiversity for economic as well as ecological reasons.

An Innovative Approach

Seychelles, often considered a model of sustainable tourism development, is taking a comprehensive approach designed to ensure that it retains its reputation as an unspoiled "garden of Eden". To accommodate a tripling of the population during the eight-month tourist season, it has instituted a system of small hotel clusters. No tourist facility may be built higher than the surrounding palm trees. Buses take tourists to hotels located in beach enclaves on the main island. From there, trips are available to the outer islands—many of which are wildlife reserves where no real estate development is permitted. A sophisticated system of sewage treatment ensures that no raw wastes are discharged into the sea. Faced with a global ban on the commercial trade in sea turtles, local artisans who once worked on turtle shells have been retrained to work on coconut shells and wood. Overall, the strategy has been markedly successful in preserving the environment and in retaining inside the country a high degree of the profits from tourism. Earnings from tourism have more than doubled over the past decade.

User Fees

Tourism will provide little support to environmental preservation and sustainable development unless some significant portion of the economic benefits from the main natural attractions are channeled back into preserving the site itself and the surrounding community. Many islands must face the question of resource allocation head-on: whether to convert a mangrove swamp into a marina for pleasure-boat users, for example, or to preserve the area for its diverse abundance of wildlife and plant species and its contribution to the local fishing industry. One solution gaining acceptance as a way to spur greater support for protecting natural resources is a system of user fees that more accurately reflect the cost of maintaining natural attractions of interest to tourists and to the local community.

User fees can be applied both as a means of limiting access to sensitive ecological areas and as a means of raising the finances necessary to preserve the coral reefs, mangrove swamps, rain forests, beaches and exotic plant and animal life that are often features of small island States. According to a study by the World Resources Institute, many tourists are willing to pay higher fees if they know the money will help preserve the special area they have travelled a long distance to enjoy.

Such funds can be used to help establish national parks and wildlife refuges—not as mere "luxuries" but as essential parts of an economic management plan that, by involving the local community, can benefit residents, tourists and the environment alike. In Solomon Islands, for example, the World Wildlife Fund is assisting community residents to develop their own management plans for coastal resources that include local and tourist uses. In Western Samoa, village councils and private donors now work to set aside reserves that are protected from development.

These are important steps. When Governments meet in April at the Global Conference on the Sustainable Development of Small Island Developing States, they will seek long-term strategies for the survival of the natural resources of small islands. Meeting the needs of local communities and tourists and weighing economic and environmental realities is, like the ecosystems nature has created, a delicate balancing act. But it is one that will help ensure that tourism contributes positively to small island States for many years to come.

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Press Release

Paradise in Peril: United Nations Conference on Small Islands to Seek Strategy for Sustainable Development

Earth Summit commitments on financing sought

Small island countries will take the centre of the international stage when representatives of some 100 Governments gather in Bridgetown, Barbados, from 25 April to 6 May 1994. At the United Nations Global Conference on the Sustainable Development of Small Island Developing States, Governments will seek agreement on a plan for how small islai ds can survive growing environment and development problems —and on how to finance such a plan.

The Conference was called for at the Earth Summit in Rio de Janeiro in 1992, in recognition of the special vulnerabilities of small island States. It is seen as the first test of the "global partnership" formed at the Summit, by which rich and poor countries agreed to work together to reverse the environmental degradation of the planet.

Islands have long conjured up images of "paradise", but their azure lagoons, coral reefs and lush rain forests are showing signs of increasing stress. As island societies strive to raise living standards for growing populations and struggle to find their place in a complex global economy, they often sacrifice the fragile ecosystems which are among their most valuable assets. International assistance is needed to help islands reverse this trend.

Concerted global action is also required to prevent another alarming scenario: rising sea levels and climate change, predicted to result primarily from greenhouse gas emissions in indusrialized countries, could damage coastal areas and even submerge some low-lying islands.

To address these problems, Governments have been negotiating a Programme of Action to be adopted in Barbados. Most elements of this plan have been agreed upon. However, at the close of the final round of pre-Conference negotiations, held from 7 to 11 March in New York, key questions of how to provide the finance and environmentally sound technology to implement the plan remained unresolved. A Barbados Declaration, setting out political principles, is also yet to be finalized. The Conference is expected to draw a number of Heads of State, especially during its high-level segment on 5 and 6 May.

Ambassador Penelope Wensley of Australia, who chaired the negotiations on the Programme of Action in the Preparatory

Committee, commented that "we are going to Barbados with some brackets" (referring to disputed sections of the draft text), but that she was confident that differences could be worked out at the Conference itself.

Among the most contentious issues, she said, is whether international financing to support sustainable development in small islands would be limited to existing resources, as many donor countries wished. Small island countries hope that "new and additional" financing will be recommended.

At the Earth Summit, donor countries agreed that new and additional assistance would be necessary for developing countries to implement sustainable development policies—that is, development that meets present needs without jeopardizing the welfare of future generations by undermining the environment on which all life depends. Small island States point out that poverty, poor terms of trade and external debt often oblige them, like many other developing countries, to overexploit their natural resources and pollute their environment.

The Barbados meeting, according to Mr. Nitin Desai, Secretary-General of the Conference, will be a test case of the international response to the challenges of sustainable development, and the first clear, practical consequence of the "spirit of Rio".

Global Importance

Ensuring sustainable development in small islands would serve global as well as island interests. Improving small islands' ability to manage their marine resources would help stem the decline in fish supplies worldwide, now reaching crisis proportions. In the Pacific, small island States are "stewards"of some 30 million sq km of ocean—one sixth of the Earth's surface—the total of their 200-mile offshore exclusive economic zones. Most of the world's tuna, for example, is caught there.

Small islands are also important contributors to global biodiversity: their tropical forests and coral reefs are home to many species not found elsewhere, but these habitats are suffering considerable damage and, in the case of native endangered species, potentially irreversible losses.

Special Vulnerabilities

The Barbados Conference was called for in Agenda 21, the comprehensive global plan of action adopted at the Earth Summit, in recognition that small islands required special international attention because of their ecological and economic vulnerabilities:

- Global climate change is predicted to cause a rise in sea levels that would profoundly affect island economies, with a negative impact on fisheries, tourism, coral reefs and freshwater supplies;

- Natural disasters such as hurricanes and cyclones —already devastating to island societies—are projected to increase in frequency and intensity because of climate change;

- Fragile island economies—heavily dependent on imports, with exports often limited to one or two commodities—are subject to external shocks and fluctuations in the world market. The isolation and small scale of island economies make it difficult to attract investment or to diversify;

- Increasing development is putting pressure on scarce land, freshwater and energy resources and destroying the balance of vulnerable ecosystems.

Expected Outcomes

The Programme of Action under negotiation for adoption at the Global Conference outlines problems and presents recommendations in 15 key areas. Specific proposals call for:

- National and regional disaster emergency funds, from both public and private sectors, to help small islands recover from natural disasters and to provide hard-to-obtain insurance coverage;

- Regional Sustainable Development Centres, to provide research and training on technology options for small islands;

- A Small Island Developing States Technical Assistance Programme (SIDS/TAP) that would pool indigenous expertise; and

- A Small Island Developing States Information Network (SIDS/NET) to facilitate exchange of information on various aspects of sustainable development.

Political Realities

Underlying the discussions are the political and economic realities faced by both island countries and their traditional donor partners. International assistance, on which many islands depend, has been shrinking, as recession-hit industrialized countries cut back on foreign-aid budgets to focus on pressing domestic priorities. Small island States find they must compete for funds with crisis-torn countries worldwide, at a time when their strategic value has diminished in the post–cold war era.

Working against the small islands is the fact that donor Governments and international lending institutions often use per capita income as a measure of need, and by this yardstick small islands are seemingly better off than many other developing countries. For small island developing countries with populations of less than one million, average per capita income in 1991 was $US 4,117. For developing countries as a whole the figure was $1,000, and for the poorest, "least developed" countries, it was just $234.

Small island countries argue that because of their special vulnerabilities and limitations, per capita income does not accurately reflect their circumstances. Among the proposals in the Programme of Action is the development of a "vulnerability index" that would complement more traditional economic and social indicators.

As a political bloc, small islands began gathering strength in 1991 during the negotiations for a Framework Convention on Climate Change, when the Alliance of Small Island States (AOSIS) pushed for urgent action to combat global warming. Now chaired by Ambassador Annette des Isles of Trinidad and Tobago, the 41-member AOSIS has been the major voice for island concerns leading up to Barbados.

Eminent Persons Group

The Governor General of Barbados, Dame Nita Barrow, will host a meeting of an "Eminent Persons Group" of international dignitaries in Barbados on 21-22 April. The group will make recommendations and suggest innovative measures to mobilize international support for small islands. Their proposals will be formally presented to the Global Conference.

NGO Participation and Events

Over 200 non-governmental organizations (NGOs) are expected to play an important role as observers at the Conference and its preparatory meetings. Among these are many community island groups, as well as regional and international organizations.

At the time of the Global Conference, a number of parallel events will be held, including an NGO Islands Forum, featuring lectures and workshops, and a Village of Hope, portraying island themes. The organizers can be contacted at: NGO Liaison Committee Secretariat, Letchworth Office Complex, The Garrison, St. Michael, Barbados, telephone (809) 435-2995, fax (809) 435-0884.

SUSTECH '94, an exhibit showcasing sustainable technologies with particular applicability to small islands, is being organized by the Barbados Manufacturers' Association, Building 1, Pelican Industrial Park, St. Michael, Barbados, telephone (809) 426-4474, fax (809) 436-5182.

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